

VZCZCXRO9386  
RR RUEHBC RUEHDE RUEHDH RUEHIHL RUEHKUK  
DE RUEHGB #2154/01 2230913  
ZNY CCCCC ZZH  
R 110913Z AUG 09  
FM AMEMBASSY BAGHDAD  
TO RUEHC/SECSTATE WASHDC 4284  
INFO RUCNRAQ/IRAQ COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 02 BAGHDAD 002154

SENSITIVE  
SIPDIS

E.O. 12958: DECL: 08/10/2019  
TAGS: [PGOV](#) [KCOR](#) [KDEM](#) [IZ](#)  
SUBJECT: ANTI-CORRUPTION UPDATE

REF: A. BAGHDAD 1161  
[1](#)B. BAGHDAD 1401

Classified By: ACCO Joseph Stafford, reason 1.4 (b and d)

SUMMARY  
-----

[1](#)1. (C) In remarks at an August 1 anti-corruption conference, Vice President Al-Hashimi repeated previous criticism of the controversial legal provision, 136(b) of the Criminal Procedure Code, allowing ministers to block prosecution of employees for corruption and other crimes. Citing the Commission on Integrity's (COI) annual report, he asserted that 211 persons had avoided prosecution in 2008 thanks to this provision. The Council of Representatives (COR) has established a special committee to investigate corruption in the Defense Ministry's arms contracts, according to parliamentarian Alia Nasief Al-Ubaidy (Tawafuq). She alleged efforts by "some COR deputies" -- presumably linked to the Prime Minister's Dawa party -- to prevent the committee from operating. The media claimed that 4,000 GOI and other employees were fraudulently receiving payments under the Social Protection Network (SPN) program, a nation-wide anti-poverty program; sources agree that the SPN program is riddled with corruption. The imperative of reducing corruption is a frequent theme in media commentaries; a recent piece alleged that corruption was hampering the Electricity Ministry's performance and that new oil engineering graduates lacking high-level GOI connections paid \$4,000 bribes to be hired at Oil Ministry-linked enterprises.  
END SUMMARY.

STATEMENT BY VICE PRESIDENT AL-HASHIMI  
-----

[1](#)2. (SBU) At an August 1 conference in Baghdad sponsored by Iraq's lead anti-corruption agency, the Commission on Integrity (COI), Vice President Tariq Al-Hashimi called for a "national campaign to eliminate corruption and protect public funds." He portrayed corruption in the GOI as having reached "extremely worrying levels" and called for the public and the media as well as all branches of government, to join in the effort to tackle corruption. Al-Hashimi stressed his support for the COI and noted that it faced "irresponsible interference" in its work by certain parties and personalities." He criticized the controversial Iraqi Criminal Procedure Code provision, 136(b), which authorizes ministers to block prosecution of their employees for corruption and other crimes. Citing COI's annual report, he claimed that in 2008 ministers used 136(b) to prevent prosecution of 211 officials.

[1](#)3. (C) COMMENT: Al-Hashimi's remarks broke no new ground, but underscored his heightened profile on the corruption dossier in recent months. Other GOI officials have issued calls in past months for a "national campaign" against corruption, and his allegation of "interference" in the COI's activities is likewise not new. Al-Hashimi refrained from identifying any of the "parties and personalities" allegedly responsible for

such interference, but sources assert that governing coalition parties seeking to protect corrupt officials among their memberships are leading offenders. Al-Hashimi's criticism of 136(b) is not new; in April, he called for its amendment so as to prevent its being abused to block action against corrupt officials (ref A). We are not able to verify the figure of 211 officials shielded from prosecution for corruption in 2008 thanks to 136(b), but it strikes us as plausible. Per ref B, COI head Judge Raheem Al-Ugaili told the press in May that only 70 persons had escaped prosecution under 136(b) in 2008. Whatever the accurate figure, there are doubtless many other cases in which ministers have used the threat of resorting to 136(b) to prevent prosecution. END Qthreat of resorting to 136(b) to prevent prosecution. END COMMENT.

#### POSSIBLE PARLIAMENTARY INVESTIGATION OF ARMS DEALS

-----

14. (C) Confirming media reports, Council of Representatives (COR) deputy Alia Nasief Al-Ubaidy (Tawafuq) told the Anti-Corruption Coordinator's Office (ACCO) that the COR had established a special committee to investigate possible corrupt practices in connection with issuance of weapons contracts by the Defense Ministry. Al-Ubaidy told us that she had handed over relevant documents to committee chairman Hassan Al-Shammari (Fadhila). Al-Ubaidy, who declined to discuss specific MOD corruption allegations, complained about delays in the committee beginning its investigation, alleging, without elaboration, that "some COR deputies" were working to prevent the committee from operating. (COMMENT: Al-Ubaidy was likely referring to deputies affiliated with Prime Minister Al-Maliki's Dawa party. END COMMENT)

BAGHDAD 00002154 002 OF 002

#### CORRUPTION IN SOCIAL WELFARE PROGRAM

-----

15. (C) Citing a Ministry of Labor and Social Affairs (MOLSA) official, the media claimed that an audit revealed that 4,000 employees in MOLSA and other ministries were illegally receiving payments -- as well as their regular salaries -- under the Social Protection Network (SPN) program, a nationwide anti-poverty program involving cash payments to the needy, administered by MOLSA. According to the media, besides ministry employees, personnel at various universities in Baghdad were involved, as were employees at postal centers responsible for dissemination of SPN payments. MOLSA Labor Director General Dr. Riyadh Hassan has told us that about one million families in Iraq are currently receiving SPN benefits. (COMMENT: Allegations of GOI employees siphoning off SPN payments are not new, and sources generally agree that the program is rife with fraudulent payments and other abuses. END COMMENT)

#### MEDIA COMMENTARIES

-----

16. (SBU) The imperative of reducing corruption is a frequent theme in media commentaries. In a recent piece appearing in the on-line journal "Iraq of Tomorrow," the author, identified as Dr. Ahmed Abdullah, criticized the GOI for failing to do more to bring corrupt officials to account. He claimed that shortfalls in electrical power generation were due to corrupt practices hampering the Electricity Ministry's performance. Turning to the Oil Ministry, Abdullah asserted that new oil engineering graduates seeking employment in a Ministry-affiliated enterprise were required to pay a bribe equivalent to \$4,000 or have connections with a "very influential" GOI official in order to be hired. (COMMENT: While we cannot verify the \$4,000 figure, we note reports of bribes being paid to secure jobs in other areas, in particular, appointments to the police and military forces. END COMMENT)

HILL